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Regular Session, 2009

HOUSE BILL NO. 820

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BY REPRESENTATIVE MICKEY GUILLORY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

MTR VEHICLE/DISMANTLERS: Provides for improved tracking of dismantled or salvaged vehicles

1 AN ACT

To amend and reenact R.S. 32:702(4) and (16), 706.1(A) and (B), 707(I) and (J), 718 (B) and (C), 1722(A) and (C), 1728.2(C)(2), (D), (E), (F), and (G), and 1728.3(C), (D)(1), (E), and (F) and to enact R.S. 32:706.2, 707.5, 718(D), 1720(C), 1722(D), 1728.2(H) and R.S. 47:522, relative to dismantled or salvaged motor vehicles; to create the Louisiana Omnibus Auto Theft Prevention and Recovery Act (LOATPRA); to define "certificate of destruction"; to define "water-damaged vehicles"; to require sellers to disclose an assembled title to the purchaser of a motor vehicle; to require dismantlers to notify the office of motor vehicles upon receiving a vehicle for dismantling; to create a procedure for titling a total loss salvage motor vehicle prior to reconstruction and operation; to establish an assembled vehicle title and procedures for issuance; to require a storage or parking facility to notify the office of motor vehicles when an owner recovers a motor vehicle or when a motor vehicle is surrendered to a lien holder; to require contracted storage facilities to obtain verification and provide notification to registered lien holders prior to expiration of a vehicle storage contract; to mandate that appraisers use the latest version of the NADA Guide as a guideline for the appraisal of vehicles to be crushed or dismantled; to require an application for crushing and dismantling upon a form created by the Department of Public Safety and Corrections; to provide for a time

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

limit for approval of the application after electronic submission of application to the Department of Public Safety and Corrections, office of motor vehicles; to require licensed dismantlers and crushers to certify the crushing or dismantling of a vehicle by submitting a form provided by the office of motor vehicles; to require the owner-operator to maintain certain records on file for all vehicles dismantled or crushed; to authorize representatives of the Department of Public Safety and Corrections to enter a dealer's premises to recover state credentials when the dealer's license has been suspended or revoked; to provide for information maintained by auto hulk buyers; to provide for the reporting of auto hulks; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 32:702(4) and (16), 706.1(A) and (B), 707(I) and (J), 718(B) and (C), 1722(A) and (C),1728.2(C)(2), (D), (E), (F), and (G), and 1728.3(C), (D)(1), (E), and (F) are hereby amended and reenacted and R.S. 32:706.2, 707.5, 718(D), 1720(C), 1722(D), and

§702. Definitions

As used in this Chapter:

1728.2(H) are hereby amended and reenacted to read as follows:

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(4) "Certificate of destruction" means a type of certificate of title issued by the office of motor vehicles for a "water-damaged vehicle" other than an antique vehicle or a vehicle in excess of twenty thousand pounds gross vehicle weight rating (GVWR), whose power train, computer, or electrical system has been damaged by flooding as the result of a gubernatorially declared disaster or emergency and that is a "total loss" as defined in this Section. The certificate of destruction shall be reassignable a maximum of two times prior to dismantling or destruction of the vehicle.

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(16) "Water-damaged vehicle" means any vehicle, other than an antique vehicle or a vehicle in excess of twenty thousand pounds gross vehicle weight

1	(GVW), whose power train, computer, or electrical system has been damaged by
2	flooding as the result of a gubernatorially declared disaster or emergency and that is
3	a "total loss" as defined in this Section.
4	* * *
5	§706.1. Disclosure by persons who transfer ownership of vehicles with salvage or
6	reconstructed titles, assembled title, or certificate of destruction; penalties
7	A. Each person who sells, exchanges, donates, or otherwise transfers any
8	interest in any vehicle for which a salvage title, certificate of destruction, assembled
9	title, or a reconstructed title has been issued shall disclose the existence of that title
10	to the prospective purchaser, recipient in exchange, recipient by donation, or
11	recipient by other act of transfer. The disclosure shall be made by a conspicuous
12	written document and shall be made prior to the completion of the sale, exchange,
13	donation, or other act of transfer.
14	B. If any person sells, exchanges, donates, or otherwise transfers any interest
15	in any vehicle for which a salvage title, certificate of destruction, <u>assembled title</u> , or
16	a reconstructed title has been issued and does not make the disclosures required by
17	this Section, the person to whom the interest in that vehicle was transferred may

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with that transaction.

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§706.2. Requirements for vehicle identification number inspections

Any physical inspection of a vehicle for the purpose of vehicle identification number verification shall be by a full-time Peace Office Standards and Training (P.O.S.T.) certified law enforcement officer who has been trained and certified by the Department of Public Safety and Corrections, office of state police, to inspect motor vehicles.

demand the rescission of the sale, exchange, donation, or other act of transfer and,

in that event, shall be entitled to recover the price or other consideration for the

transaction and any fees or taxes paid to any governmental agency in connection

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1	§707. Application for certificates of title; exception; salvage title; antique vehicles;
2	reconstructed title
3	* * *
4	I.(1)(a) When, as the result of an insurance settlement, a motor vehicle is
5	declared to be a "total loss", as defined in R.S. 32:702, the insurance company, its
6	authorized agent, or the vehicle owner shall, within thirty days from the settlement
7	of the property damages claim, send the certificate of title to the office of motor
8	vehicles along with an application for a salvage title in the name of the insurance
9	company, or its authorized agent, or the vehicle owner.
10	(b) The insurance company or agent shall notify the office of motor vehicles
11	within thirty days of settlement of the property damage claim and the owner retained
12	salvage value, when the owner of the vehicle is allowed to retain the salvage after the
13	vehicle has been declared a total loss.
14	(b) (c) Upon receipt of the salvage title, the insurance company, its
15	authorized agent, or the vehicle owner may proceed to dismantle the vehicle, sell it,
16	or rebuild and restore it to operation. A rebuilder of a salvaged title motor vehicle
17	may upon completion of rebuilding the vehicle demonstrate the rebuilt motor vehicle
18	to a prospective purchaser without applying for a reconstructed vehicle title. Except
19	for the purposes of this demonstration, no rebuilt and restored vehicle shall be
20	operated upon any public street, roadway, or highway until it is registered with the
21	office of motor vehicles, and a reconstructed vehicle title is issued.
22	(2) No further documentation is required for dismantling; however, After
23	receiving a vehicle for dismantling, the dismantler shall notify the department within
24	ten days upon the form provided by the Department of Public Safety and
25	<u>Corrections</u> , office of motor vehicles. the <u>The</u> dismantler shall <u>surrender the salvage</u>
26	title to the office of motor vehicles and retain possession a copy of the salvage title
27	for five years following dismantling. The vehicle may be sold, assigned, or donated

by endorsing the salvage title permit to dismantle and delivering it along with the

1	vehicle to the new owner; however, dealers, salvage pools, and dismantlers shall
2	keep a register of such transfers.
3	J.(1) If a vehicle with a salvage title is rebuilt and restored to operation, such
4	vehicle shall not be titled and registered for operation until a certificate of inspection
5	is submitted to office of motor vehicles by a member of the city, parish, or state
6	police force, authorized by the police chief, sheriff, or commander to make such
7	inspections.
8	(2) On receipt of the required certificate of inspection and the salvage title,
9	together with receipts for the major component parts that have been replaced on the
10	vehicle, the office of motor vehicles shall issue a new certificate of title, which shall
11	indicate on its face it has been reconstructed.
12	J.(1) Any owner who reconstructs or restores a vehicle without salvage title
13	to operating condition prior to being issued a reconstructed title under this Chapter
14	or the laws of another state or who recovers a stolen motor vehicle shall make
15	application to the Department of Public Safety and Corrections, office of motor
16	vehicles, for a certificate of title and an inspection of the vehicle prior to the
17	registration or sale of the vehicle. Each application for title and inspection shall be
18	accompanied by the following:
19	(a) The outstanding salvage title previously issued for the salvage vehicle.
20	(b) Bills of sale evidencing acquisition of all major component parts used to
21	restore the vehicle, listing the manufacturer's vehicle identification number of the
22	vehicle from which the parts were removed, if such part contained or should contain
23	the manufacturer's vehicle identification number.
24	(c) A sworn statement in the form prescribed by the Department of Public
25	Safety and Corrections, office of motor vehicles, which states that:
26	(i) The identification numbers of the restored vehicle and its parts have not
27	been removed, destroyed, falsified, altered, or defaced.
28	(ii) The salvage title document attached to the application has not been
29	forged, falsified, altered, or counterfeited.

1	(iii) All information contained on the application and its attachments is true
2	and correct to the knowledge of the owner.
3	(2) The vehicle identification number of every vehicle for which an
4	application is submitted shall be inspected by an inspector at a location designated
5	by the department.
6	(3) In addition, some or all of the vehicles presented for the inspection may
7	be selected for inspection of the vehicles' major component parts which have been
8	repaired or replaced as part of the rebuilding process to determine that the vehicle
9	information contained in the application and supporting documents is true and
10	<u>correct.</u>
11	(4) The selection of vehicles to undergo the major component part inspection
12	shall be on a random basis, in accordance with criteria and procedures established
13	by the Department of Public Safety and Corrections by regulations, which may be
14	changed from time to time as that department deems necessary.
15	(5) The inspector may examine the identification number of each part that
16	has been repaired or replaced as part of the rebuilding process in addition to the
17	vehicle identification number, and may compare said numbers to the vehicle
18	identification numbers and identification numbers of parts entered into any state,
19	regional, or national computer network that records the identification numbers of
20	stolen motor vehicles and the identification numbers of stolen parts.
21	(6) Nothing in this Section shall establish a presumption that a part has been
22	removed, falsified, altered, defaced, destroyed, or tampered with by a person
23	submitting a vehicle inspection, if the part fails to contain a required identification
24	label. The major component inspection shall not be for the purpose of checking road
25	worthiness or the safety condition of the vehicle. No liability shall be imposed on
26	the Department of Public Safety and Corrections, the state of Louisiana, or its agents
27	or employees with respect to any act or omission related to said inspection.
28	(7) Upon satisfactory inspection and a receipt of all required documents and
29	applicable fees, the commissioner shall issue a new certificate of title in the name of

1	the owner which shall contain the notation "RECONSTRUCTED" on the face of the
2	certificate of title.
3	* * *
4	§707.5. Assembled Vehicles
5	A. An assembled motor vehicle is a vehicle which has been assembled by
6	a person other than the manufacturer with major component parts from dismantled
7	motor vehicles and may include new parts.
8	B. Major component parts are:
9	(1) Engine with or without accessories.
10	(2) Transmission.
11	(3) Nose: that portion of the body from the front to the firewall when
12	acquired or transferred as a complete unit.
13	(4) Frame: that portion of a vehicle upon which other components are
14	affixed, such as the engine, body, or transmission.
15	(5) Body: that portion of a vehicle that determines its shape and appearance
16	and is attached to the frame.
17	(6) Door.
18	(7) Rear Clip: two or more of the following, all dismantled from the same
19	vehicle:
20	(a) Quarter panel or fender.
21	(b) Floor panel assembly.
22	(c) Trunk lid or gate.
23	(8) Cowl: that portion of the vehicle housing the firewall, windshield and
24	instrument panel.
25	C.(1) An assembler shall obtain receipts for all parts used to build an
26	assembled vehicle. In the case of used parts from a dismantled motor vehicle, in
27	addition to a receipt, the seller of parts from a dismantled motor vehicle shall provide
28	the assembler with a copy of the front and back of the permit to dismantle for the
29	vehicle from which the used part was obtained or a receipt from a licensed

2	part was removed was reported to the office of motor vehicles in accordance with
3	R.S. 32:718. In the case of a frame of the dismantled vehicle, the seller of the used
4	frame shall endorse the permit to dismantle and deliver the same to the assembler at
5	the time the frame is sold.
6	(2) In the event the used parts come from a dismantled motor vehicle issued
7	a salvage title prior to January 1, 2010, the seller of the used parts shall write
8	"dismantled" across the face of the salvage title, and provide the assembler with a
9	copy of the front and back of the title, or the original salvage title as the case may be,
10	together with a signed statement of the seller, stating the date the motor vehicle was
11	dismantled and the name of the dismantler, in lieu of providing a copy or original
12	permit to dismantle required in Paragraph (1) of this Subsection.
13	(3) If a new component incorporated into the assembled motor vehicle was
14	sold with a manufacturer's statement, certificate of origin, or similar document, the
15	seller shall provide the original document with any necessary endorsements to the
16	assembler.
17	D. Prior to applying for a title or registration from the Department of Public
18	Safety and Corrections, the assembler shall:
19	(1) Obtain a physical inspection of the assembled vehicle by a full-time Peace
20	Office Standards and Training (P.O.S.T.) certified law enforcement officer who has
21	been trained and certified by the Department of Public Safety and Corrections, office
22	of state police, to inspect motor vehicles.
23	(2) Submit a sworn statement attesting that the assembled motor vehicle
24	meets all National Highway Traffic Safety Administration standards for safety,
25	bumpers, and theft prevention in effect on the date the assembly of the vehicle was
26	completed. The provisions of this Paragraph shall not apply to an assembled vehicle
27	built to appear as an antique vehicle, a street rod, or other specialty vehicle.
28	(3) Obtain a motor vehicle inspection sticker or statement from a licensed
29	Louisiana Motor Vehicle inspection station indicating that the vehicle meets all

automotive dismantler and parts recycler certifying that the vehicle from which the

2	untitled assembled vehicle when presented for inspection by the assembler.
3	(4) Be assigned a vehicle identification number by the Department of Public
4	Safety and Corrections, office of state police. The assigned number shall not be the
5	vehicle identification number from a previously issued salvaged title or permit to
6	dismantle and shall not be a number which would appear to have been assigned to
7	the vehicle by a manufacturer.
8	E. The assembler shall submit all documentation for component parts as
9	described in Subsection C of this Section with the application for assembled title.
10	F. Upon application for title and registration, and after payment of all
11	applicable fees and taxes, the Department of Public Safety and Corrections shall
12	issue a certificate of title with the words "ASSEMBLED VEHICLE" printed on the
13	face of the title. The record of the title shall also indicate the vehicle is assembled.
14	Any subsequent certificate of title issued on this vehicle shall bear the words
15	"ASSEMBLED VEHICLE". The model year shall be the year the motor vehicle was
16	inspected as indicated on the date of the physical inspection required by Paragraph
17	(D)(1) of this Section. The make of the vehicle shall be "assembled".
18	G. The Department of Public Safety and Corrections may promulgate, in
19	accordance with the Administrative Procedure Act, all rules necessary to implement
20	this Section, including rules regarding the required documentation to be submitted
21	with an application for an assembled title.
22	H. An assembled vehicle shall not be issued a "reconstructed" branded title.
23	However, in a case where a motor vehicle titled as assembled was involved in a crash
24	and was determined to be a total loss in accordance with R.S. 32:707(I), the title for
25	the motor vehicle shall be branded "ASSEMBLED-SALVAGE". If the vehicle is
26	subsequently rebuilt in accordance with R.S. 32:707(J), the title for motor vehicle
27	shall be branded "ASSEMBLED-RECONSTRUCTED".

safety requirements. An inspection station is expressly authorized to inspect an

1	I. If the only major component changed on a pickup truck is the cab the
2	titling shall be governed by R.S. 707(J).
3	* * *
4	§718. Sale of an auto hulk as scrap to a scrap metal processor or a licensed
5	automotive dismantler and parts recycler
6	* * *
7	B. Every secondary metal processor or licensed automotive dismantler and
8	parts recycler shall maintain the signed and dated affidavit, along with the name and
9	address of the person delivering, selling, or transferring the auto hulk, photographic
10	or electronic copy of the seller's valid driver's license or a valid identification card
11	issued by the seller's current state of residence, the tag number and state of issue of
12	the vehicle delivering the auto hulk, and the vehicle identification number of the auto
13	hulk. This information shall be kept in a registry or book or in electronic format for
14	a period of two years at the secondary metal processor's or the licensed automotive
15	dismantler and parts recycler's place of business and shall be made available for
16	inspection by any peace officer, law enforcement official, or office of motor vehicles
17	official at any time during customary business hours.
18	C. Every secondary metal processor or licensed automotive dismantler and
19	parts recycler shall submit an electronic report to the office of motor vehicles of the
20	vehicle identification number of each auto hulk received from a seller. The report
21	shall be in a form approved by the office of motor vehicles and shall be submitted
22	on at least a weekly basis within seventy-two hours of the purchase of the auto hulk.
23	D. The provisions of this Section are applicable to auto hulks in lieu of the
24	provisions of R.S. 32:717 and 807.
25	* * *
26	§1720. Owner notification of a stored vehicle; right to request administrative
27	hearing; notification of release
28	* * *

1	C. In the event the vehicle owner recovers the vehicle, or the vehicle is
2	surrendered to a lienholder pursuant to R.S. 32:1720.1, the owner of the storage or
3	parking facility shall electronically notify the department, in a manner approved by
4	the department, of the release of the vehicle including the name and address of the
5	party to whom the vehicle is released and the date the vehicle was released.
6	* * *
7	§1722. Exemption from provisions of R.S. 32:1718 through R.S. 32:1721
8	A.(1) Except when summoned to a location by a law enforcement agency
9	from a call allocation system, the provisions of R.S. 32:1718 through R.S. 32:1721
10	shall not apply where the verified owner of the vehicle or the verified legal
11	representative of the owner has entered into a contract, in writing on a form herein
12	described, for the continuous storage or parking of the vehicle.
13	(2) The storage facility shall verify the registered owner and any lien holder
14	in accordance with R.S. 32:1718.
15	(3) The storage facility shall verify and keep a copy of any legal documents
16	declaring the status of any person claiming to be a legal representative of a vehicle
17	owner.
18	* * *
19	C. The written storage contract shall contain the following:
20	(1) The name, address, and driver's license number of the verified owner or
21	<u>verified</u> legal representative of the owner that is making the storage arrangements.
22	(2) The name and address of the owner if different from the above person.
23	(3) The name and address of any lien holder on the vehicle title.
24	(3) (4) The cost of storage and any other costs that will be accrued to the
25	vehicle. Any costs not set forth within the storage agreement may not be charged.
26	(4) (5) A description of the vehicle.
27	(5) (6) The vehicle identification number.
28	(6) (7) The vehicle license plate number.
29	(7) (8) The condition of the vehicle.

1	(8) (9) The date that the vehicle is placed in storage.
2	(9) (10) The date after which time the vehicle will be considered abandoned,
3	not to exceed six months from the date of storage.
4	(10) (11) Notice that when the vehicle is considered abandoned, it will be
5	subject to sale by the storage facility owner.
6	(11) (12) The signature of the owner or legal representative of the owner that
7	is making the storage arrangements.
8	D. The storage facility owner shall give notice in writing to the verified lien
9	holder at least fifteen business days prior to the expiration of the storage contract in
10	Subsection C of this Section.
11	* * *
12	§1728.2. Procedure for disposal of junk vehicles
13	* * *
14	C. As used in this Section:
15	* * *
16	(2) "Junk vehicle" means a vehicle in such a state of deterioration that it
17	cannot be profitably restored and has a fair market value of five hundred dollars or
18	less by using the rough trade-in value shown in the most recent National Automobile
19	Dealers Association Guide.
20	* * *
21	D. Each owner-operator who possesses a vehicle which meets the criteria set
22	forth in Paragraph (C)(2) of this Section may crush or dismantle that make
23	application for crushing of the vehicle at the expiration of thirty days or make
24	application for dismantling of the vehicle at the expiration of thirty days from
25	mailing of the notice, by certificate of mailing, provided the owner-operator satisfies
26	on a form provided by the Department of Public Safety and Corrections, office of
27	motor vehicles, upon satisfaction and submission of each of the following
28	requirements:

1	(1) The owner-operator has complied with the provisions of R.S. 32:1719
2	and R.S. 32:1720.
3	(2) The owner-operator has the vehicle physically inspected by a full-time
4	Peace Officer Standards and Training (P.O.S.T.) certified law enforcement officer,
5	who has been trained and certified by the Department of Public Safety and
6	Corrections, office of state police, to inspect vehicles to be crushed or dismantled.
7	* * *
8	(4) The owner-operator obtains an appraisal showing the vehicle has a fair
9	market value of five hundred dollars or less. The appraisal shall be based on the
10	rough trade-in value of the vehicle as determined by the most recent National
11	Automobile Dealers Association Guide.
12	(5) The owner-operator takes a photograph shall take photographs of all four
13	sides of the vehicle prior to crushing or dismantling making application for
14	permission to crush or dismantle.
15	E. Upon approval from the department or ten business days from the mailing
16	of the application, the owner-operator may release the vehicle to a licensed crusher
17	or licensed dismantler. Receipt of sale to a licensed crusher or licensed dismantler
18	shall be submitted electronically to the office of motor vehicles on a form provided
19	by the Department of Public Safety and Corrections.
20	E. F. Within seven business days following the crushing or dismantling of
21	the vehicle, the owner-operator licensed crusher or licensed dismantler shall execute
22	an affidavit a certification for each vehicle, on the form provided by the Department
23	of Public Safety and Corrections, office of motor vehicles, and forward it to the
24	office of motor vehicles, by certificate of mailing, stating: providing the following
25	information:
26	(1) That a vehicle has been crushed or dismantled.
27	(2) A description of each the vehicle to be crushed or dismantled and each
28	part to be dismantled for salvage.
29	(3) The vehicle identification number.

1	(4) A photograph of all four sides of the vehicle prior to crushing or
2	dismantling.
3	F. G. The owner-operator shall maintain copies of the following records on
4	all vehicles crushed or dismantled under the provisions of this Section:
5	(1) Completed physical inspection form as prepared by a full-time Peace
6	Officer Standards and Training (P.O.S.T.) certified law enforcement officer who has
7	been trained and certified by the Department of Public Safety and Corrections, office
8	of state police, to inspect vehicles to be crushed or dismantled.
9	(2) One appraisal showing the vehicle has a fair market value of five hundred
10	dollars or less. The appraisal shall be based on the standard value of the vehicle as
11	determined by the most recent National Automobile Dealers Association Guide.
12	(3) A photograph of each side all four sides of the vehicle prior to crushing
13	or dismantling.
14	(4) A copy of the original report of a stored vehicle as required in R.S.
15	32:1719.
16	(5) A copy of the notice required by R.S. 32:1720 which was sent to the
17	registered owner of the vehicle, the holder of any lien on the vehicle, and any other
18	person with an ownership interest in the vehicle.
19	(6) The original signed post office receipt of delivery, if the letter required
20	to be sent by this Section has been delivered, or the returned unopened envelope with
21	the postal marking indicating attempt to deliver the letter required by this Section.
22	If either of these items could not be furnished, other documented proof that the
23	storage or parking facility owner sent notice to the stored vehicle owner shall be
24	retained by the owner-operator. These records shall be open to inspection by any
25	peace officer any time the business is open. All records required by this Section
26	shall be maintained for a period of at least three years.
27	G. H. Neither the state of Louisiana nor the office of motor vehicles shall
28	incur any liability as a result of the disposal of a vehicle under these provisions.

1	§1728.3. Procedure for disposal of certain vehicles deemed abandoned by
2	municipality or parish
3	* * *
4	C. In order to utilize the provisions of this Section, the owner-operator must
5	have taken possession of the vehicle at the request of a municipality or parish acting
6	under R.S. 32:473.1 and the vehicle shall have an appraisal with a fair market value
7	of five hundred dollars or less. The appraisal shall be based on the rough trade-in
8	value of the vehicle as determined by the most recent National Automobile Dealers
9	Association Guide.
10	D.(1) Each owner-operator who possesses a vehicle which meets the criteria
11	set forth in Subsection C of this Section may crush or dismantle the vehicle provided
12	the owner-operator satisfies each of the following requirements:
13	(a) The owner-operator has complied with the provisions of R.S. 32:1719
14	and 1720.
15	(b) The owner-operator has the vehicle physically inspected by a full-time
16	Peace Officer Standards and Training (P.O.S.T.) certified law enforcement officer
17	who has been trained and certified by the Department of Public Safety and
18	Corrections, office of state police, to inspect vehicles to be crushed or dismantled.
19	(c) The owner-operator obtains an appraisal showing the vehicle has a fair
20	market value of five hundred dollars or less. The appraisal shall be based on the
21	rough trade-in value of the vehicle as determined by the most recent National
22	Automobile Dealers Association Guide.
23	(d) The owner-operator takes a photograph of all four sides of the vehicle
24	prior to crushing or dismantling.
25	* * *
26	E. Within seven business days following the crushing or dismantling of the
27	vehicle, the owner-operator shall execute an affidavit, on the form provided by the
28	Department of Public Safety and Corrections, office of motor vehicles, and forward

1	it to the office of motor vehicles, by certificate of mailing, stating: providing the
2	following information:
3	(1) That a vehicle has been crushed or dismantled.
4	(2) A description of the vehicle to be crushed and each part to be dismantled
5	for salvage.
6	(3) The vehicle identification number.
7	(4) The findings of the physical inspection required by Subparagraph
8	(D)(1)(b) of this Section.
9	(5) A photograph of all four sides of the vehicle prior to crushing or
10	dismantling.
11	F.(1) The owner-operator shall maintain the following records on all vehicles
12	crushed or dismantled under the provisions of this Section:
13	(a) A completed physical inspection form as prepared by a full-time Peace
14	Officer Standards and Training (P.O.S.T.) certified law enforcement officer who has
15	been trained and certified by the Department of Public Safety and Corrections, office
16	of state police, to inspect vehicles to be crushed or dismantled.
17	(b) One appraisal showing the vehicle has a fair market value of five hundred
18	dollars or less. The appraisal shall be based on the rough trade-in value of the
19	vehicle as determined by the most recent National Automobile Dealers Association
20	Guide.
21	(c) A photograph of each side all four sides of the vehicle prior to crushing
22	or dismantling.
23	(d) A copy of the original report of a stored vehicle as required in R.S.
24	32:1719.
25	(e) Some manner of documentation of the request of the municipality or
26	parish directing that the vehicle be removed.
27	(f) A copy of the notice required by R.S. 32:1720 which was sent to the
28	registered owner of the vehicle, the holder of any lien on the vehicle, and any other
29	person with an ownership interest in the vehicle.

1	(g) The original signed post office receipt of delivery if the letter required
2	to be sent by this Section has been delivered; or the returned unopened envelope with
3	the postal marking indicating attempt to deliver the letter required by this Section.
4	If either of these items could not be furnished, other documented proof that the
5	storage or parking facility owner sent notice to the stored vehicle owner shall be
6	retained by the owner-operator.
7	* * *
8	Section 2. R.S. 47:522 is hereby enacted to read as follows:
9	§522. Authorization to enter dealer premises to recover state credentials
10	A. Whenever any licensed dealer has his license suspended or revoked, or
11	if the licensed dealer ceases operations without any formal action by the appropriate
12	commission, representatives of the Department of Public Safety and Corrections
13	shall be authorized to enter any and all locations of the dealer to recover official state
14	credentials issued to the dealer by the department, including but not limited to dealer
15	inventory plates, temporary registration plates, and motor vehicle inspection stickers.
16	B. In the event the dealer, or any agent or representative of the dealer,
17	removes or causes to be removed the official state credentials, the dealer shall be
18	responsible for surrendering the credentials to the department.
19	C. The Louisiana Motor Vehicle Commission and the Louisiana
20	Recreational and Used Motor Vehicle Commission shall promptly notify the
21	Department of Public Safety and Corrections whenever a dealer's license is
22	suspended or revoked, or if either commission has information that a licensed dealer
23	has ceased operations without any formal action against the dealer's license.
24	Section 3. This Act shall be known as the "Louisiana Omnibus Auto Theft
25	Prevention and Recovery Act".
26	Section 4. This Act shall become effective on January 1, 2010.

REENGROSSED HB NO. 820

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Mickey Guillory HB No. 820

Abstract: Creates the La. Omnibus Auto Theft Prevention and Recovery Act (LOATPRA); amends the definition of "certificate of destruction" and "water damaged vehicle"; amends the procedure to apply for a title for salvaged vehicles; requires verification of ownership and legal representation by a contracted storage facility; requires notification to lien holders prior to sale by a contracted storage facility; standardizes the appraisal method for dismantled and crushed vehicles; requires a VIN verification through a physical inspection by a full-time POST certified law enforcement officer who is trained by the office of state police; establishes procedures for application of a reconstructed title for a restored total loss salvage motor vehicle; provides for reporting requirements for auto hulks; and authorizes representatives of DPS&C to enter the premises of a dealer whose license is suspended or revoked to recover state credentials.

<u>Present law</u> defines "certificate of destruction" as a type of certificate of title issued by the office of motor vehicles for a "water-damaged vehicle" as defined in <u>present law</u>.

<u>Proposed law</u> retains <u>present law</u> but clarifies that the "water-damaged vehicle" does not include an antique vehicle or a vehicle in excess of 20,000 pounds gross vehicle weight rating (GVWR), whose power train, computer, or electrical system has been damaged by flooding as the result of a gubernatorially declared disaster or emergency and that is a "total loss".

<u>Present law</u> defines "water-damaged vehicle" as any vehicle, other than an antique vehicle or a vehicle in excess of 20,000 pounds gross vehicle weight (GVW), whose power train, computer, or electrical system has been damaged by flooding as the result of a gubernatorially declared disaster or emergency and that is a "total loss" as defined in <u>present law</u>.

<u>Proposed law</u> defines "water-damaged vehicle" as any vehicle whose power train, computer, or electrical system has been damaged by flooding and that is a "total loss".

<u>Present law</u> provides that each person who sells, exchanges, donates, or otherwise transfers any interest in any vehicle for which a salvage title, certificate of destruction, or a reconstructed title has been issued shall disclose the existence of that title to the prospective purchaser, recipient in exchange, recipient by donation, or recipient by other act of transfer.

<u>Proposed law</u> retains <u>present law</u> but adds assembled title to the list of documents which shall be disclosed.

<u>Present law</u> provides that if any person sells, exchanges, donates, or otherwise transfers any interest in any vehicle for which a salvage title, certificate of destruction, or a reconstructed title has been issued and does not make the disclosures required by <u>present law</u>, the person to whom the interest in that vehicle was transferred may demand the rescission of the sale, exchange, donation, or other act of transfer and, in that event, shall be entitled to recover the price or other consideration for the transaction and any fees or taxes paid to any governmental agency in connection with that transaction.

<u>Proposed law</u> retains <u>present law</u> but adds assembled title to the list of documents which shall be disclosed.

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

<u>Proposed law</u> requires any physical inspection of a vehicle for the purpose of vehicle identification number verification to be completed by a full-time Peace Office Standards and Training (P.O.S.T.) certified law enforcement officer who has been trained and certified by the Dept. of Public Safety and Corrections (DPS&C), office of state police (OSP) to inspect motor vehicles.

<u>Proposed law</u> requires the insurance company or agent to notify OMV within 30 days of settlement of the property damage claim and the owner retained salvage value when the owner of the vehicle is allowed to retain the vehicle after salvage when the vehicle has been declared a total loss.

<u>Present law</u> provides that no further documentation is required for dismantling; however, the dismantler shall retain possession of the salvage title for five years following dismantling. The vehicle may be sold, assigned, or donated by endorsing the salvage title and delivering it along with the vehicle to the new owner; however, dealers, salvage pools, and dismantlers shall keep a register of such transfers.

<u>Proposed law</u> provides that, after receiving a vehicle for dismantling, the dismantler shall notify DPS&C within 10 days upon the form provided by OMV. The dismantler shall surrender the salvage title to OMV and retain a copy of the salvage title for five years following dismantling. The vehicle may be sold, assigned, or donated by endorsing the permit to dismantle and delivering it along with the vehicle to the new owner; however, dealers, salvage pools, and dismantlers shall keep a register of such transfers.

<u>Present law</u> provides that if a vehicle with a salvage title is rebuilt and restored to operation, such vehicle shall not be titled and registered for operation until a certificate of inspection is submitted to OMV by a member of the city, parish, or state police force, authorized by the police chief, sheriff, or commander to make such inspections.

<u>Present law</u> further provides that on receipt of the required certificate of inspection and the salvage title, together with receipts for the major component parts that have been replaced on the vehicle, the OMV shall issue a new certificate of title, which shall indicate on its face it has been reconstructed.

Proposed law deletes present law.

<u>Proposed law</u> provides that any owner who reconstructs or restores a vehicle without salvage title to operating condition prior to being issued a reconstructed title or who recovers a stolen motor vehicle shall make application to OMV for a certificate of title and an inspection of the vehicle prior to the registration or sale of said vehicle. Each application for title and inspection shall be accompanied by the following:

- (1) The outstanding salvage title previously issued for the salvage vehicle.
- (2) Bills of sale evidencing acquisition of all major component parts used to restore the vehicle, listing the manufacturer's VIN of the vehicle from which the parts were removed, if such part contained or should contain the manufacturer's VIN.
- (3) A sworn statement in the form prescribed by OMV which states that:
 - (a) The identification numbers of the restored vehicle and its parts have not been removed, destroyed, falsified, altered, or defaced.
 - (b) The salvage title document attached to the application has not been forged, falsified, altered, or counterfeited.
 - (c) All information contained on the application and its attachments is true and correct to the knowledge of the owner.

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<u>Proposed law</u> requires the VIN of every vehicle for which an application is submitted shall be inspected by an inspector at a location allocated by the department.

<u>Proposed law</u> provides that some or all of the vehicles presented for such inspection to be selected for inspection of the vehicles' major component parts which have been repaired or replaced as part of the rebuilding process to determine that the vehicle information contained in the application and supporting documents is true and correct.

<u>Proposed law</u> further provides that the selection of vehicles to undergo a major component part inspection shall be on a random basis, in accordance with criteria and procedures established by DPS&C regulations, which may be changed from time to time as DPS&C deems necessary.

<u>Proposed law</u> authorizes the inspector to examine the identification number of each part that has been repaired or replaced as part of the rebuilding process in addition to the vehicle identification number, and may compare said numbers to the vehicle identification numbers and identification numbers of parts entered into any state, regional, or national computer network that records the identification numbers of stolen motor vehicles and the identification numbers of stolen parts.

<u>Proposed law provides that nothing in proposed law shall establish a presumption that a part has been removed, falsified, altered, defaced, destroyed, or tampered with by a person submitting a vehicle inspection, if such part fails to a contain a required identification label.</u>

<u>Proposed law</u> provides that the major component inspection shall not be for the purpose of checking road worthiness or the safety condition of the vehicle.

<u>Proposed law</u> provides that no liability shall be imposed on the department, the state of La., or its agents or employees with respect to any act or omission related to the inspection.

<u>Proposed law</u> provides that, upon satisfactory inspection and a receipt of all required documents and applicable fees, the commissioner shall issue a new certificate of title in the name of the owner which shall contain the notation "RECONSTRUCTED" on the face of the certificate of title.

<u>Proposed law</u> defines an assembled motor vehicle as a vehicle which has been assembled by a person other than the manufacturer with major component parts from dismantled motor vehicles and may include new parts.

Proposed law provides that major component parts are:

- (1) Engine with or without accessories.
- (2) Transmission.
- (3) Nose: that portion of the body from the front to the firewall when acquired or transferred as a complete unit.
- (4) Frame: that portion of a vehicle upon which other components are affixed, such as the engine, body, or transmission.
- (5) Body: that portion of a vehicle that determines its shape and appearance and is attached to the frame.
- (6) Door.

- (7) Rear Clip: two or more of the following, all dismantled from the same vehicle:
 - (a) Quarter panel or fender.
 - (b) Floor panel assembly.
 - (c) Trunk lid or gate.
- (8) Cowl: that portion of the vehicle housing the firewall, windshield, and instrument panel.

<u>Proposed law</u> requires an assembler to obtain receipts for all parts used to build an assembled vehicle.

<u>Proposed law</u> provides that, in the case of used parts from a dismantled motor vehicle, in addition to a receipt, the seller of parts from a dismantled motor vehicle shall provide the assembler with a copy of the front and back of the permit to dismantle for the vehicle from which the used part was obtained or a receipt from a licensed automotive dismantler and parts recycler certifying that the vehicle from which the part was removed was reported to the OMV as required by law. In the case of a frame of the dismantled vehicle, the seller of the used frame shall endorse the permit to dismantle and deliver the same to the assembler at the time the frame is sold.

<u>Proposed law</u> provides that, in the event the used parts come from a dismantled motor vehicle issued a salvage title prior to Jan. 1, 2009, the seller of such used parts shall write "dismantled" across the face of the salvage title and provide the assembler with a copy of the front and back of the title, or the original salvage title, together with a signed statement stating the date the motor vehicle was dismantled and the name of the dismantler, in lieu of providing a copy or original permit to dismantle required in proposed law.

<u>Proposed law</u> provides that, if a new component incorporated into the assembled motor vehicle was sold with a manufacturer's statement, certificate of origin, or similar document, the seller shall provide the original document with any necessary endorsements to the assembler.

<u>Proposed law</u> provides that prior to applying for a title or registration from the department, the assembler shall:

- (1) Obtain a physical inspection of the assembled vehicle by a full-time P.O.S.T. certified law enforcement officer who has been trained and certified by the OSP to inspect motor vehicles.
- (2) Submit a sworn statement attesting that the assembled motor vehicle meets all National Highway Traffic Safety Administration standards for safety, bumpers, and theft prevention in effect on the date the assembly of the vehicle was completed.
- (3) Obtain a motor vehicle inspection sticker or statement from a licensed OMV inspection station indicating that the vehicle meets all safety requirements.
- (4) Be assigned a VIN by the OSP.

<u>Proposed law</u> requires the assembler to submit all documentation for component parts with the application for assembled title.

<u>Proposed law</u> provides that, upon application for title and registration, and after payment of all applicable fees and taxes, DPS&C shall issue a certificate of title with the words "ASSEMBLED VEHICLE" printed on the face of the title. The record of the title shall also indicate the vehicle is assembled. Any subsequent certificate of title issued on this vehicle

shall bear the words "ASSEMBLED VEHICLE". The model year shall be the year the motor vehicle was inspected as indicated on the date of the physical inspection required by proposed law. The make of the vehicle shall be "assembled".

<u>Proposed law</u> authorizes DPS&C to promulgate, in accordance with the Administrative Procedure Act, all rules necessary to implement <u>proposed law</u>, including rules regarding the required documentation to be submitted with an application for an assembled title.

<u>Proposed law</u> provides that an assembled vehicle shall not be issued a "reconstructed" branded title. However, in a case where a motor vehicle titled as assembled was involved in a crash and was determined to be a total loss, the title for the motor vehicle shall be branded "ASSEMBLED-SALVAGE". If the vehicle is subsequently rebuilt, the title for motor vehicle shall be branded "ASSEMBLED-RECONSTRUCTED".

<u>Proposed law</u> provides that if the only major component changed on a pickup truck is the cab the titling shall be governed by R.S. 32:707(J).

<u>Present law</u> provides that every secondary metal processor or licensed automotive dismantler and parts recycler shall maintain the signed and dated affidavit, along with the name and address of the person delivering, selling, or transferring the auto hulk, photographic or electronic copy of the seller's valid driver's license or a valid identification card issued by the seller's current state of residence, and the vehicle identification number of the auto hulk.

<u>Proposed law</u> retains <u>present law</u> but adds the tag number and state of issue of the vehicle delivering the auto hulk to the list of information to be maintained.

<u>Present law</u> provides that, on at least a weekly basis, every secondary metal processor or licensed automotive dismantler and parts recycler shall submit an electronic report to the office of motor vehicles of the vehicle identification number of each auto hulk received from a seller.

<u>Proposed law</u> retains <u>present law</u> but changes the time frame for reporting <u>from</u> a weekly basis <u>to</u> within 72 hours of the purchase of an auto hulk.

<u>Proposed law</u> provides that the provisions of <u>proposed law</u> are applicable to auto hulks in lieu of other reporting provisions contained in the law.

<u>Proposed law</u> provides that in the event the vehicle owner recovers the vehicle, or the vehicle is surrendered to a lien holder, the owner of a storage or parking facility shall electronically notify DPS&C of the release of the vehicle including the name and address of the party to whom the vehicle is released and the date the vehicle was released.

<u>Proposed law</u> requires a storage facility to verify the registered owner of a motor vehicle and any lien holder in accordance with <u>present law</u>.

<u>Proposed law</u> further requires the storage facility to verify and keep a copy of any legal documents declaring the status of any person claiming to be a legal representative of a vehicle owner.

<u>Present law</u> provides that a written storage contract shall contain the following:

- (1) The name, address, and driver's license number of the owner or legal representative of the owner that is making the storage arrangements.
- (2) The name and address of the owner if different from the above person.
- (3) The cost of storage and any other costs that will be accrued to the vehicle.

- (4) A description of the vehicle.
- (5) The vehicle identification number.
- (6) The vehicle license plate number.
- (7) The condition of the vehicle.
- (8) The date that the vehicle is placed in storage.
- (9) The date after which time the vehicle will be considered abandoned, not to exceed six months from the date of storage.
- (10) Notice that when the vehicle is considered abandoned, it will be subject to sale by the storage facility owner.
- (11) The signature of the owner or legal representative of the owner that is making the storage arrangements.

<u>Proposed law</u> maintains <u>present law</u> but adds the name and address of any lien holder on the vehicle title to the list of requirements.

<u>Proposed law</u> requires the storage facility owner to give notice in writing to the verified lien holder at least 15 business days prior to the expiration of the storage contract.

<u>Present law</u> defines "junk vehicle" as a vehicle in such a state of deterioration that it cannot be profitably restored and has a fair market value of \$500 or less.

<u>Proposed law</u> retains <u>present law</u> but clarifies that the fair market value shall be determined by using the rough trade-in value shown in the most recent National Automobile Dealers Association (NADA) Guide.

<u>Present law</u> provides that an owner-operator who possesses a vehicle which meets the criteria set forth in <u>present law</u> may crush or dismantle that vehicle at the expiration of 30 days from mailing of the notice, by certificate of mailing, provided the owner-operator satisfies each of the following requirements:

- (1) The owner-operator has complied with the provisions of R.S. 32:1719 and 1720.
- (2) The owner-operator has the vehicle physically inspected by a full-time P.O.S.T. certified law enforcement officer.
- (3) The owner-operator obtains an appraisal showing the vehicle has a fair market value of \$500 or less.
- (4) The owner-operator takes a photograph of the vehicle prior to crushing or dismantling.

<u>Proposed law</u> provides that an owner-operator who possesses a vehicle which meets the criteria set forth in <u>proposed law</u> may make application for crushing of the vehicle at the expiration of 30 days or make application for dismantling of the vehicle at the expiration of 30 days from mailing of the notice, by certificate of mailing, on a form provided by OMV upon satisfaction and submission of each of the following requirements:

(1) The owner-operator has complied with the provisions of R.S. 32:1719 and 1720.

- (2) The owner-operator has the vehicle physically inspected by a full-time P.O.S.T. certified law enforcement officer, who has been trained and certified by OSP to inspect vehicles to be crushed or dismantled.
- (3) The owner-operator obtains an appraisal showing the vehicle has a fair market value of \$500 or less based on the rough trade-in value of the vehicle as determined by the most recent NADA Guide.
- (4) The owner-operator takes photographs of all four sides of the vehicle prior to making application for permission to crush or dismantle.

<u>Proposed law</u> provides that, upon approval from DPS&C or 10 business days from the mailing of the application, the owner-operator may release the vehicle to a licensed crusher or licensed dismantler. Receipt of sale to a licensed crusher or licensed dismantler shall be submitted electronically to OMV on a form provided by DPS&C.

<u>Present law</u> provides that within seven business days following the crushing or dismantling of the vehicle, the owner-operator shall execute an affidavit and forward it to OMV, by certificate of mailing, stating:

- (1) That a vehicle has been crushed or dismantled.
- (2) A description of each vehicle.
- (3) The vehicle identification number.

<u>Proposed law</u> provides that within seven business days following the crushing or dismantling of the vehicle, the licensed crusher or licensed dismantler shall execute a certification for each vehicle, on the form provided by OMV, and forward it to OMV, by certificate of mailing, stating:

- (1) That a vehicle has been crushed or dismantled.
- (2) A description of the vehicle to be crushed or dismantled and each part to be dismantled for salvage.
- (3) The vehicle identification number.
- (4) A photograph of all four sides of the vehicle prior to crushing or dismantling.

<u>Present law</u> provides that the owner-operator shall maintain the following records on all vehicles crushed or dismantled:

- (1) Completed physical inspection form as prepared by a full-time Peace Officer Standards and Training (P.O.S.T.) certified law enforcement officer.
- (2) One appraisal showing the vehicle has a fair market value of \$500 or less.
- (3) A photograph of each side of the vehicle prior to crushing or dismantling.
- (4) A copy of the original report of a stored vehicle as required in R.S. 32:1719.
- (5) A copy of the notice required by R.S. 32:1720 which was sent to the registered owner of the vehicle, the holder of any lien on the vehicle, and any other person with an ownership interest in the vehicle.
- (6) The original signed post office receipt of delivery, if the letter required to be sent has been delivered, or the returned unopened envelope with the postal marking indicating

attempt to deliver the letter. If either of these items could not be furnished, other documented proof that the storage or parking facility owner sent notice to the stored vehicle owner shall be retained by the owner-operator.

<u>Proposed law</u> provides that the owner-operator shall maintain copies of the following records on all vehicles crushed or dismantled:

- (1) Completed physical inspection form as prepared by a full-time P.O.S.T. certified law enforcement officer who has been trained and certified by OSP to inspect vehicles to be crushed or dismantled.
- (2) One appraisal showing the vehicle has a fair market value of \$500 or less based on the rough trade-in value of the vehicle as determined by the most recent NADA Guide.
- (3) A photograph of all four sides of the vehicle prior to crushing or dismantling.
- (4) A copy of the original report of a stored vehicle as required in R.S. 32:1719.
- (5) A copy of the notice required by R.S. 32:1720 which was sent to the registered owner of the vehicle, the holder of any lien on the vehicle, and any other person with an ownership interest in the vehicle.
- (6) The original signed post office receipt of delivery, if the letter required to be sent has been delivered, or the returned unopened envelope with the postal marking indicating attempt to deliver the letter. If either of these items could not be furnished, other documented proof that the storage or parking facility owner sent notice to the stored vehicle owner shall be retained by the owner-operator.

<u>Present law</u> provides that, in order to utilize the provisions of law regarding disposal of vehicles deemed abandoned by a municipality or parish, the owner-operator must have taken possession of the vehicle at the request of a municipality or parish acting under <u>present law</u> and the vehicle shall have a fair market value of \$500 or less.

<u>Proposed law</u> retains <u>present law</u> but clarifies that the fair market value shall be indicated by an appraisal based on the rough trade-in value of the vehicle as determined by the most recent NADA Guide.

<u>Present law</u> further provides that each owner-operator who possesses a vehicle which meets the criteria set forth <u>present law</u> may crush or dismantle the vehicle provided the owner-operator satisfies each of the following requirements:

- (1) The owner-operator has complied with the provisions of R.S. 32:1719 and 1720.
- (2) The owner-operator has the vehicle physically inspected by a full-time P.O.S.T. certified law enforcement officer.
- (3) The owner-operator obtains an appraisal showing the vehicle has a fair market value of \$500 or less.
- (4) The owner-operator takes a photograph of the vehicle prior to crushing or dismantling.

<u>Proposed law</u> provides that each owner-operator who possesses a vehicle which meets the criteria set forth <u>proposed law</u> may crush or dismantle the vehicle provided the owner-operator satisfies each of the following requirements:

(1) The owner-operator has complied with the provisions of R.S. 32:1719 and 1720.

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

- (2) The owner-operator has the vehicle physically inspected by a full-time P.O.S.T. certified law enforcement officer who has been trained and certified by OSP to inspect vehicles to be crushed or dismantled.
- (3) The owner-operator obtains an appraisal showing the vehicle has a fair market value of \$500 less based on the rough trade-in value of the vehicle as determined by the most recent NADA Guide.
- (4) The owner-operator takes a photograph of all four sides of the vehicle prior to crushing or dismantling.

<u>Present law</u> requires, the owner-operator, within seven business days following the crushing or dismantling of the vehicle, to execute an affidavit and forward it to OMV, by certificate of mailing, stating:

- (1) That a vehicle has been crushed or dismantled.
- (2) A description of the vehicle.
- (3) The vehicle identification number.
- (4) The findings of the physical inspection required by <u>present law</u>.

<u>Proposed law</u> maintains <u>present law</u> but clarifies that the affidavit shall be on a form provided by OMV and adds the requirement that a photograph of each side of the vehicle prior to crushing or dismantling shall be included in the affidavit.

<u>Present law</u> requires the owner-operator to maintain the following records on all vehicles crushed or dismantled under the provisions of <u>present law</u>:

- (1) A completed physical inspection form as prepared by a full-time P.O.S.T. certified law enforcement officer.
- (2) One appraisal showing the vehicle has a fair market value of \$500 or less.
- (3) A photograph of all four sides of the vehicle prior to crushing or dismantling.
- (4) A copy of the original report of a stored vehicle as required in R.S. 32:1719.
- (5) Some manner of documentation of the request of the municipality or parish directing that the vehicle be removed.
- (6) A copy of the notice required by R.S. 32:1720 which was sent to the registered owner of the vehicle, the holder of any lien on the vehicle, and any other person with an ownership interest in the vehicle.
- (7) The original signed post office receipt of delivery if the letter required to be sent has been delivered; or the returned unopened envelope with the postal marking indicating attempt to deliver the letter. If either of these items could not be furnished, other documented proof that the storage or parking facility owner sent notice to the stored vehicle owner shall be retained by the owner-operator.

<u>Proposed law</u> maintains <u>present law</u> but adds the following clarifications and requirements:

(1) The physical inspection shall be conducted by a full-time P.O.S.T. certified law enforcement officer who has been trained and certified by OSP to inspect vehicles to be crushed or dismantled.

(2) The appraisal shall be based on the rough trade-in value of the vehicle as determined by the most recent NADA Guide.

<u>Proposed law</u> provides that whenever any licensed dealer has his license suspended or revoked, or if the licensed dealer ceases operations without any formal action by the appropriate commission, representatives of DPS&C shall be authorized to enter any and all locations of such dealer to recover official state credentials issued to the dealer by the department, including but not limited to dealer inventory plates, temporary registration plates, and motor vehicle inspection stickers.

<u>Proposed law</u> further provides that in the event the dealer, or any agent or representative of the dealer, removes or causes to be removed, such official state credentials, the dealer shall be responsible for surrendering such credentials to the department.

<u>Proposed law</u> requires the La. Motor Vehicle Commission and the La. Recreational and Used Motor Vehicle Commission to promptly notify DPS&C whenever a dealer's license is suspended or revoked, or if either commission has information that a licensed dealer has ceased operations without any formal action against the dealer's license.

<u>Proposed law</u> shall be known as the "Louisiana Omnibus Auto Theft Prevention and Recovery Act".

Effective Jan. 1, 2010.

(Amends R.S. 32:702(4) and (16), 706.1(A) and (B), 707(I) and (J), 718(B) and (C), 1722(A) and (C), 1728.2(C)(2), (D), (E), (F), and (G), and 1728.3(C), (D)(1), (E), and (F); Adds R.S. 32:706.2, 707.5, 718(D), 1720(C), 1722(D), 1728.2(H) and R.S. 47:522)

Summary of Amendments Adopted by House

Committee Amendments Proposed by <u>House Committee on Commerce</u> to the <u>original</u> bill

- 1. Makes technical corrections.
- 2. Deletes the fee provisions.
- 3. Restores the time limit for the reporting of a total loss by an insurance company back to 30 days.
- 4. Deletes the requirement that an insurance company send a total loss appraisal to the office of motor vehicles.
- 5. Requires an insurance company or agent to notify the office of motor vehicles within 30 days of settlement of the property damage claim and the owner retained salvage value when the owner of the vehicle is allowed to retain the salvage after it has been declared a total loss.
- 6. Requires the seller of parts from a dismantled motor vehicle to provide the assembler with a copy of a receipt from a licensed automotive dismantler or parts recycler certifying that the vehicle from which the part was removed was reported to the office of motor vehicles in accordance with R.S. 32:718.
- 7. Requires secondary metal processors and licensed automotive dismantlers and parts recyclers to maintain the tag number and state of issue of the vehicle delivering an auto hulk.

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- 8. Requires secondary metal processors and licensed automotive dismantlers and parts recyclers to submit an electronic report to the office of motor vehicles within 72 hours of the purchase of the auto hulk.
- 9. Requires a storage facility to verify the registered owner and any lien holder in accordance with R.S. 32:1718.
- 10. Requires an appraisal to be conducted by using the rough trade-in value shown in the most recent National Automobile Dealers Association Guide.
- 11. Allows an owner-operator to make application for dismantling of the vehicle at the expiration of 30 days from mailing of the notice.
- 12. Clarifies that a picture of all four sides of the vehicle taken prior to crushing or dismantling must be submitted to the office of motor vehicles.

House Floor Amendments to the engrossed bill.

- 1. Makes technical amendments.
- 2. Deletes the requirement that the Dept. of Public Safety and Corrections, office of motor vehicles, charge and collect a fee for any physical inspection for the purpose of vehicle identification number verification.